EXHIBIT C

EXHIBIT C

EXAMPLES OF VOMERO'S USE OF POST-FACTUM EVENTS TO SHOW INSOLVENCY

Vomero's references in the Bridge Associates Valuation Analysis dated May 27, 2005, to Blackstone Group Projections – a consulting group retained by Inacom in May 2000 who rendered a report in May 2000 based on then existing events:

p. 13: "Bridge prepared a projection for the period April 23, 2000 through the end of fiscal 2001 …These results were compared to the Debtor's projection in May 2000 for reasonableness. … Based on this, Bridge's extrapolated projections are clearly reasonable."

p. 16: "The forecasts prepared by the Debtor with the assistance of The Blackstone Group in May 2000 for the period April –December 2000 are listed below. The cumulative projected EBITDA loss during this time period was $60 million radically different than the $8 million EBITDA projected by Duff. The difference is $52 million or 650%. (Exhibit 8 below)."

p. 17, Exhibit 7: "Cumulative Loss Per Blackstone Forecast May 2000 (millions) per BSG 0054"

p. 6, Exhibit 1, and p. 19, Exhibit 9, at note **: "…consistent with Blackstone projections."

p. 37: "These forecasts include a forecast prepared in … May by the Blackstone Group (BG0054)."

p. 38, Exhibit 20: (pictorially presenting the May forecast by Blackstone Group).

p. 38: "The change between the forecast presented in January to the projection prepared in May represents a downward revision to EBITDA of $109 million."

p. 40: "The extrapolated projection was compared to a number of Debtor's projections completed in May and June of 2000 with the assistance of the Blackstone Group."

p. 42, "It is important to note that although two very comparable transactions have been identified, the service business assets of the Debtor were actively marketed as a going concern by …The Blackstone Group …During this marketing process, the Debtor was unsuccessful in finding a willing buyer for the remaining service assets even after The Blackstone Group contacted 16 potential strategic and financial buyers."

Similar references were made in the April 19, 2005, Bridge Associates Valuation Analysis, at page 2 in paragraph c, "…failed attempts to sell substantially all

operating assets as a going concerns" and page 10 in paragraph iv. "InaCom was unable to find a buyer for the service business in the spring of 2000."

References in the April 19, 2005, Bridge Associates Valuation Analysis (Exhibit A), to events occurring during bankruptcy proceedings after June 16, 2000:

pp. 2-3, paragraph e: "(It is worth noting that this assessment is in line with current estimates of distribution to creditors of Inacom's bankruptcy estate)."

p. 4: "The factors associated with the 35% discount, in line with the ultimate recovery value of the accounts receivable balance,..."

p. 5, paragraph c: "The recorded book value of the leases was $24 million, but they were sold in 2001 and 2002 after a complex negotiation and closing process for only approximately $13 million."

p. 6, paragraph d: "As of the Petition Date, 38% of the service AR was over 60 days old.

p. 8, paragraph 6: "... the majority of this equipment [office furniture and fixtures] was ultimately disposed of through abandonment or transfer to the lessors."

p. 11, paragraph ii (1.): "The IRS filed a claim of $17 million, disputing a portion of the refunds received by InaCom in 2000."

p. 12, paragraph iii: "In the over two years since its liquidation, Inacom has unsuccessfully attempted to market the NOLs to a potential third party."

Bridge
BRIDGE ASSOCIATES LLC

Response to Duff & Phelps, LLC/Sasco Hill Advisors, Inc. InaCom Corp, Valuation Analysis

May 27, 2005

the Valuation Date. These liabilities should have been deducted from non-operating assets in the determination of the value estimate. When the $67.9 million non-operating liabilities are properly subtracted from the non-operating receivables of $63.2 million, the result is a deficit of $5 million. When compared to the surplus of $120 million used by Duff in determining the value estimate, the value impact is a reduction in value of $125 million.

Additional AR Reserve - $25.9 million

The Debtor's ineligible service receivables totaled $41 million as determined in an asset valuation report by FTI around the Valuation Date. The Duff Report contains a deduction of only $15.3 million; the difference of $25.9 million represents a further deduction required to decrease the level of expected cash receipts from service receivables. This is warranted as these receivables were not expected to convert to cash. This is further supported by the general age of the service receivables, which contained $50 million of amounts over 60 days past due, representing 34% of the total balance[8].

Forecasting and Multiple Issues

DCF Column - $184 million

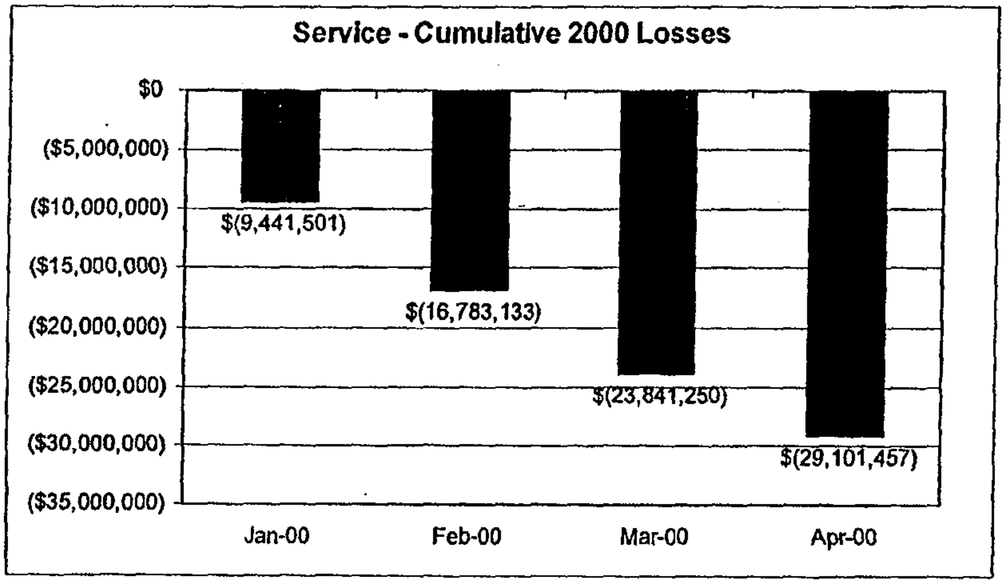
As noted above and further discussed in this report, Bridge does not believe the DCF valuation method was practical based on Duff's reliance on overly aggressive projections that were not properly tested to ensure reasonableness based on the business and financial facts surrounding the Debtor's operations. Also, the actual 2000 financial performance of the service business and corresponding corporate overhead with certain other adjustments should have been used as the basis for determining the projection used in the DCF and comparable company valuation estimates.

Bridge prepared a projection for the period April 23, 2000 through the end of fiscal 2001 extrapolating the actual financial performance of the service business for the four months ending April 22, 2000 as the basis, with certain other adjustments. These results were compared to the Debtor's projection in May 2000[9] for reasonableness. Material seasonality issues did not exist based on a review quarterly revenue patterns for the service business over a two year period. Based on this, Bridge's extrapolated projections are clearly reasonable.

The resulting downward adjustment in value of $184 million[10] over the 20 month period is listed in Exhibit 3's DCF column. This projection was not extrapolated over the 10 year period used in determining the Valuation Estimate because the resulting negative enterprise continues to grow rendering the DCF valuation method inappropriate[11].

In the first few months during 2000 alone, the normalized cash use **was $167 million**[17] even after the Company was forced to sell substantially all of its products distribution assets, representing approximately 85% or $5 billion of 1999 revenue, to pay down debt. After this sale, the Debtor's primary operation was installing and servicing computer hardware. **The cumulative service business loss in 2000, excluding corporate overhead, with approximately a third of the fiscal year complete, totaled $29 million**[18].

EXHIBIT 6



As the chart above shows, the loss was consistent throughout 2000 on a monthly basis. The average EBITDA loss per reporting month was over $7 million. Again this loss excludes the costs and expenses of various corporate and administrative functions which, after the sale of the distribution business, were approximately $3.8 million per month[19].

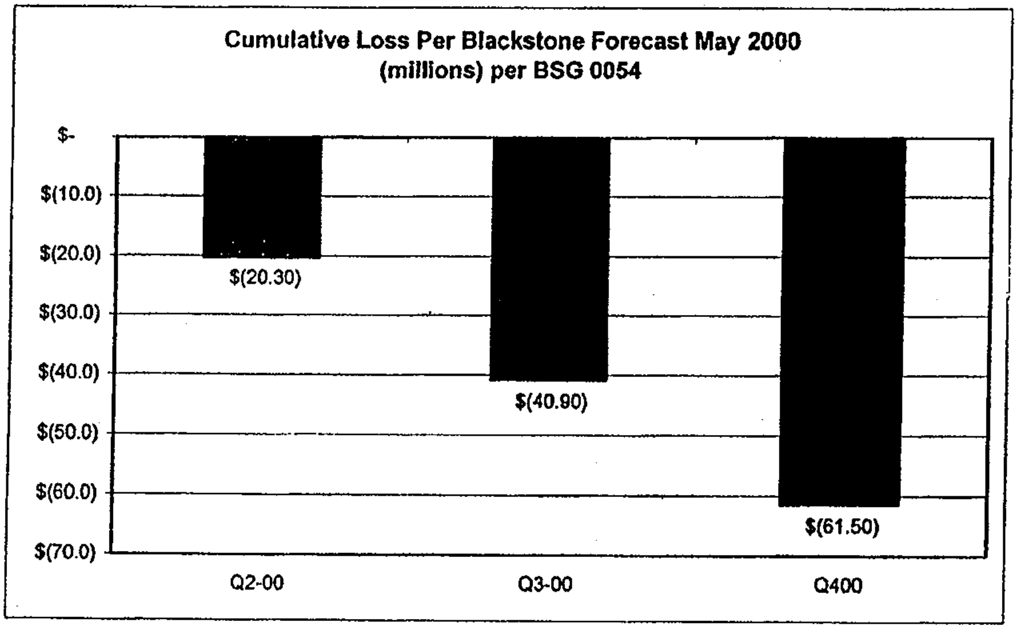
This difficult situation was noted by the Company's Chief Financial Officer, Tom Fitzpatrick, during the May 15, 2000 Board meeting:

> **"Mr. Fitzpatrick noted that the $20 million cash "burn rate" was causing serious concern for the banks and also pointed out that the Company had already made severe cost cuts."**

No end in site. The forecasts prepared by the Debtor with the assistance of The Blackstone Group in May 2000 for the period April – December 2000 are listed below. The cumulative projected EBITDA loss during this time period was $60 million

radically different than the $8 million EBITDA projected by Duff. This difference is $52 million or 650%. (Exhibit 8 below)

EXHIBIT 7



In summary, we believe the substantial cash use and the actual and projected EBITDA losses rendered the DCF method and use of EBITDA multiples in the comparable company analysis impractical. The unreasonableness of the projections and impact on value are discussed in the following sections of this document.

EXHIBIT 1[1]

	EBITDA Projected Degree of Improvement						
		Jan - Apr Actual		May - Dec Duff Projection		Dollar Improvement	Percent Improvement
2000 Actual	$	(30.0)	$	8.0	$	38.0	475%
2000 Actual w/out gain on sale*	$	(107.0)	$	8.0	$	115.0	1438%
2000 Actual Service Business	$	(29.1)	$	8.0	$	37.1	464%
2000 Actual Service Business w/CO**	$	(44.3)	$	8.0	$	52.3	654%

**Excludes effect of $77M gain on sale of distribution business recorded 3/31/00 per DE004407*
***Includes estimate of coporate overhead of $3.8M/month based on April results - consistent with Blackstone projections*

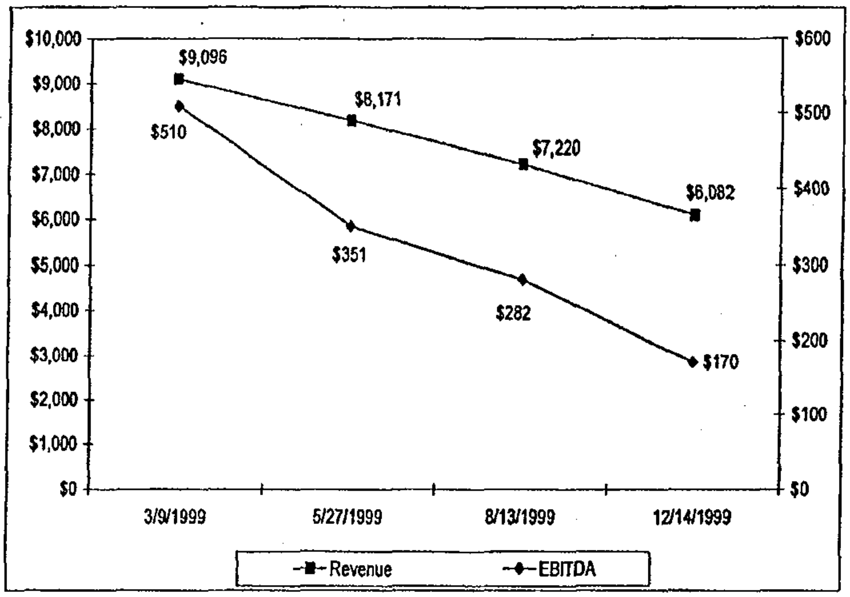
The overly aggressive EBITDA projections are used in the enterprise value estimates for both the DCF analysis and the comparable company analysis. The 2000 actual service business EBITDA, including estimated corporate overhead costs and expenses (primarily excluding one time items and costs and expenses associated with the distribution business) between January 2000 (or date beginning the fiscal year 2000) through April 22, 2000, was a loss of $44.3 million. The projection used by Duff assumes EBITDA for the remainder of 2000 (May - December 2000) of $8 million. This represents a 654% improvement over an eight month period.

In order to assess the reasonableness of the projections, Duff:

- Compared, certain financial measures, most importantly EBITDA from the projections to the actual financial performance of incomparable public companies. The comparable company EBITDA percentages used were not comparable based on a similarity/dissimilarity analysis discussed further in this report. Bridge identified two more relevant comparable public companies, Entex Information Systems ("Entex") and DecisionOne Corporation ("DecisionOne"), which were deemed comparable based on a similarity/dissimilarity analysis primarily based on service offerings and capabilities. Significant differences exist between the projections, the Debtor's actual 2000 performance, and the more comparable companies, per Exhibit 1-1.

EXHIBIT 19

2000E Forecast Revisions from March 1999 to December 1999

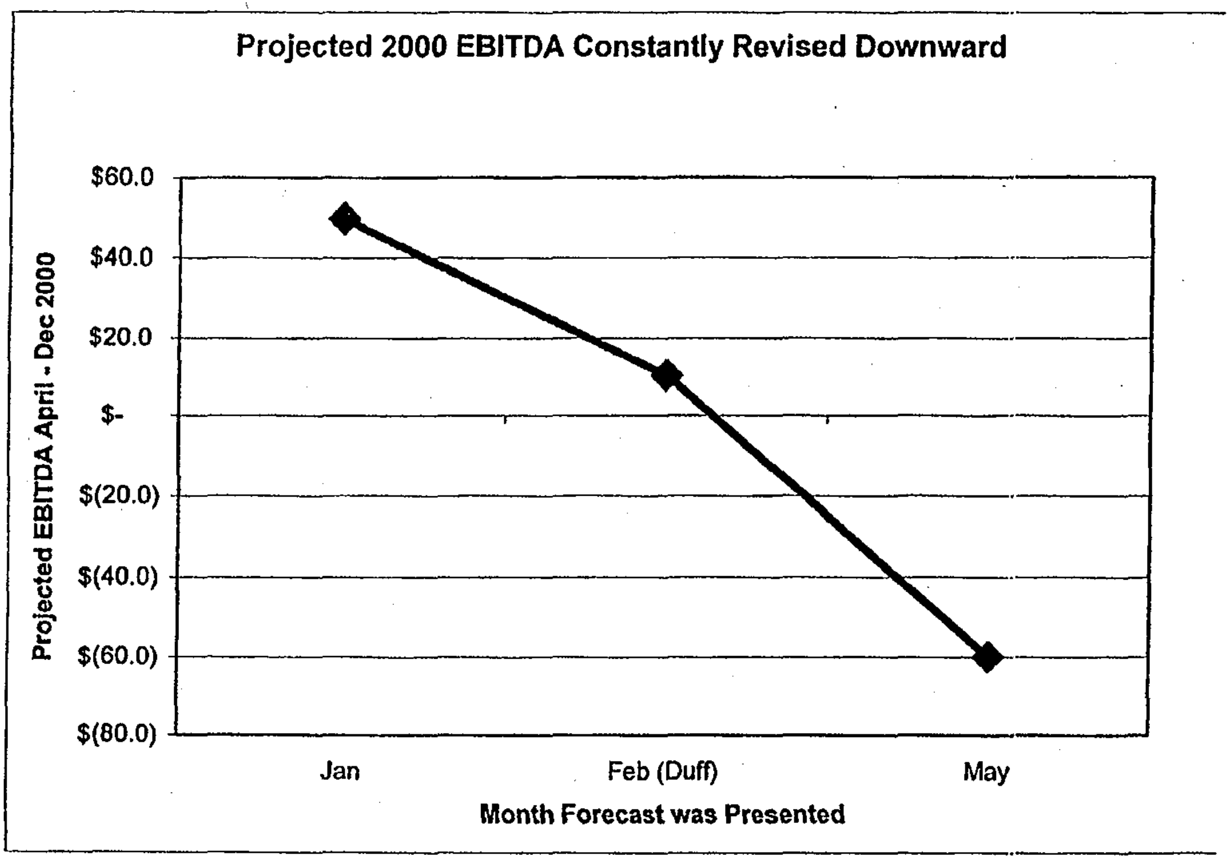


Source: Goldman Sachs – 016366

The reforecast downward trend continued into 2000. We are aware of three apparent significant forecasts where the Debtor in certain cases worked in conjunction with outside professionals. These forecasts include a forecast prepared in January by Goldman Sachs (016375), February by Houlihan Lokey Howard & Zukin (HL00133) and May by The Blackstone Group (BG0054). The variation in these forecasts for EBITDA for the April – December 2000 reporting period is significant as listed below in Exhibit 20:

Bridge
BRIDGE ASSOCIATES LLC

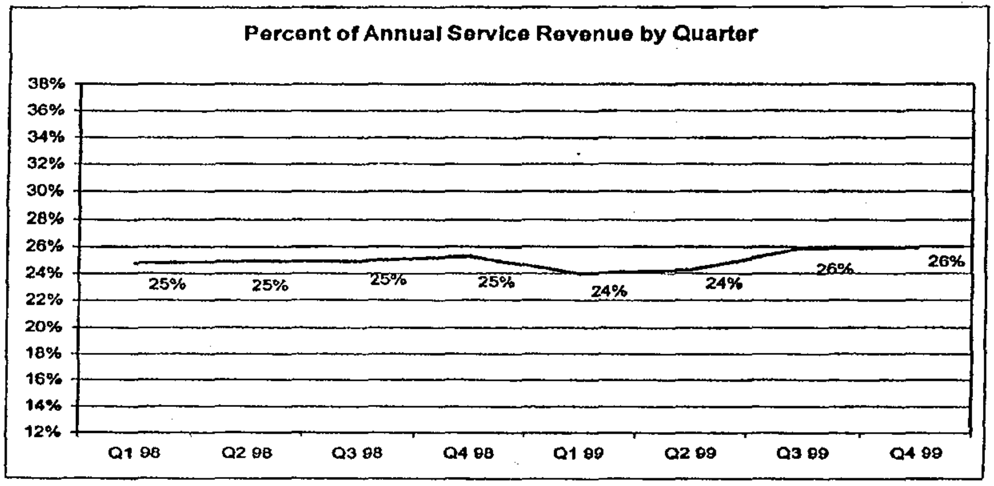
EXHIBIT 20



<u>The change between the forecast presented in January to the projection prepared in May represents a downward revision to EBITDA of $109 million.</u> As the analysis indicates, there was a clear optimistic bias in the Debtor's projections in 1999 and 2000. In addition, projections were adjusted downward frequency and materially during the same time period.

In order to determine whether extrapolating 2000 results was reasonable, the historical service revenue trend was analyzed to determine whether the service business was subject to significant quarterly deviations. The analysis calculated the percentage of service revenue per quarter to total service revenue for 1998 and 1999[34]. As the chart below indicates, the maximum variation in quarterly revenue when compared to annual revenue is 2% points between 1998 and 1999. This variation is not material.

EXHIBIT 23



The extrapolated projection was compared to a number of Debtor's projections completed in May and June of 2000 with the assistance of the Blackstone Group[35]. The revenue range associated with these projections between 4/23/00 and the end of fiscal 2000 was between $372 million to $392 million. In addition, the range of EBITDA was a negative 15% to 23%[36] consistent with the projections in Exhibit 22.

target company's business as it related to the Debtor as these target companies primary businesses were in either manufacturing of circuit boards, online marketing, distribution of IT hardware, and government IT contract work.[37] Bridge concluded that only one transaction, Interactive Systems Inc.'s acquisition of CSI Computer Specialists Inc. on 5/25/00 could be considered a comparable transaction as the target provided enterprise infrastructure management and information technology outsourcing services. (See Appendix 5 for the detailed listing of all reported transactions summarized in Exhibit 25 above) Deal economics were as follows:

INTERACTIVE SYSTEMS INC'S ACQUISITON OF CSI COMPUTER SPECIALISTS INC ON 5/25/00[38]:

-Enterprise Value:	$5.2M
-Enterprise Value to LTM Sales	0.29x
-Enterprise Value to EBITDA:	3.11x

Bridge also reviewed Siemens AG's acquisition of Entex on 3/13/00. This transaction was of significance since Entex was viewed as a primary competitor of the Debtor and was also forced to monetize assets as the industry turned against players such as the Debtor, DecisionOne and Entex. Deal economics were as follows:

SIEMENS AG's ACQUISITION OF ENTEX INFORMATION SYSTEMS INC. ON 3/13/00

-Enterprise Value:	$105.0M
-Enterprise Value to LTM 12/27/99 Sales:	0.22x
-Enterprise Value to EBITDA:	Not Meaningful *(Entex had Negative EBITDA)*

The CSI Computer Specialists and Entex transactions are more appropriate comparable transactions based on the business activities of the targets when compared to Duffs' comparable transactions, several of which have been highlighted in Exhibit 24 above where public information was readily available.

It is important to note that although two very comparable transactions have been identified, the service business assets of the Debtor were actively marketed as a going concern by Goldman Sachs in the fourth quarter of 1999 and The Blackstone Group in the spring of 2000 just after the sale of the distribution business to Compaq Computer Corporation in February of 2000. During this marketing process, the Debtor was unsuccessful in finding a willing buyer for the remaining service assets even after The Blackstone Group contacted 16 potential strategic and financial buyers.